UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

Stephen M. Packman, Esq.
Douglas G. Leney, Esq.
Natasha M. Songonuga, Esq.
Alexander J. Andrews, Esq.
(*Pro Hac Vice* Admission Pending)
ARCHER & GREINER, P.C.
1025 Laurel Oak Road
Voorhees, NJ 08043
Telephone: (856) 795-2121
Facsimile: (856) 795-0574
Email: spackman@archerlaw.com
dleney@archerlaw.com
nsongonuga@archerlaw.com
aandrews@archerlaw.com

Proposed Attorneys for Debtors

In re:

POOLIN TECHNOLOGY PTE. LTD., *et al.*,[1]

Debtors.

Case No. 26-18325

Chapter 11

(Joint Administration Requested)

DECLARATION OF MICHAEL DUFRAYNE IN SUPPORT OF DEBTORS' CHAPTER 11 PETITIONS AND FIRST DAY MOTIONS

MICHAEL DUFRAYNE, being of full age, hereby declares the following pursuant to 28 U.S.C. § 1746 under penalty of perjury:

1. I am the Chief Restructuring Officer ("CRO") of Poolin Technology Pte. Ltd. ("Poolin") and its affiliated debtors and debtors-in-possession: Lonestar Dream Inc. ("LSD");[2] and

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtors' federal tax identification number, are: Poolin Technology PTE. Ltd., a Singapore Private Limited Company; Lonestar Dream Inc. (5105); and Lonestar Taproot LLC (4118). The location of the Debtors' service address for purposes of these Chapter 11 Cases is: c/o Michael DuFrayne, CRO, 2564 US Highway 1, PMB #16884166, Lawrence, NJ 08648.

[2] Lonestar Dream Inc. is sometimes referred to throughout certain first day filings as "LDI."

Lonestar Taproot, LLC ("LST" and collectively, the "Debtors"), and submit this declaration (this "Declaration") in support of the chapter 11 petitions and first-day motions filed by the Debtors.

2. Except as otherwise indicated, all facts in this Declaration are based upon my personal knowledge, my discussions with the Debtors' management team and advisors, my review of relevant documents and information concerning the Debtors' operations, financial affairs, and restructuring initiatives, or my experience, knowledge, and familiarity with the Debtors' business and operations. If I were called upon as a witness, I would testify competently to the facts set forth in this Declaration.

BACKGROUND

3. I am the founder and managing member of DuFrayne LLC ("DL") and have over 40 years of financial management and restructuring advisory experience serving debtors, creditors' committees, banks, funds, trustees and other parties in interest under Title 11 of the United States Code and state law insolvency proceedings.

4. On or around November 14, 2025, I/DL was appointed as the Debtors' CRO to implement an enterprise-wide restructuring initiative to preserve and enhance its value for the benefit of creditors and other parties-in-interest to the Debtors' estates.

5. Additionally, on or around February 3, 2026, DL was retained as Investment Banker to the Debtors in connection with a potential investment in, financing or sale of a portion, all, or substantially all of the Debtors' businesses and/or assets.

6. In these capacities, I have assisted the Debtors with, among other things, liquidity management, operational optimizations, financial restructuring needs, communications and negotiations with customers, landholders, and creditors, evaluation of strategic restructuring alternatives including potential sale alternatives, and the preparation and filing of these cases,

including securing the assets of the Debtors, wherever located, and reconstructing and assembling reliable books and records to provide to this Court.

7. It is my understanding that the Debtors will file an application to retain DL as their CRO and investment banker ("Investment Banker") in these cases, subject to approval of the Court.

THE CHAPTER 11 CASES

8. On July 22, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") commencing these cases (these "Cases" or these "Chapter 11 Cases") in the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court").

9. The Debtors filed these Chapter 11 Cases to effectuate an orderly, value-maximizing chapter 11 sales process for the benefit of creditors and other parties in interest.

10. To facilitate a smooth transition in chapter 11, the Debtors filed certain motions and applications seeking "first day" relief substantially contemporaneously herewith (collectively, the "First Day Motions").

11. As set forth below and in the First Day Motions, the relief requested is necessary to enable the Debtors to operate effectively and efficiently within these Chapter 11 Cases, as well as to avoid certain adverse consequences that might otherwise result from the commencement thereof.

12. This Declaration contains the following sections:

(i) Part I sets forth the corporate history and business operation of the Debtors;

(ii) Part II summarizes the Debtors' capital structure;

(iii) Part III describes the section 363 sales process;

(iv) Part IV summarizes the events precipitating these Chapter 11 Cases and the Debtors' objective for the Chapter 11 Cases; and

(v) Part V provides an overview of the relief requested in the First Day Motions and the factual support for such relief.

PART I: CORPORATE HISTORY AND BUSINESS OPERATIONS

A. Poolin Technology Pte. Ltd.

13. Poolin is a private limited company registered under the laws of Singapore.

14. Poolin historically operated under the Poolin brand in the People's Republic of China through affiliated operating entities, including Beijing Satoshi Smart Technology Co. Ltd., and provided cryptocurrency mining pool, wallet, and related blockchain infrastructure services.

15. Founded in November 2017, by Zhibiao (Kevin) Pan, Fa Zhu and Tianzhao Li, Poolin quickly grew as one of the world's largest crypto mining pools, and by September 2019, was regarded as the largest crypto mining pool in the world.

16. In 2019, strong retail demand for borrowing stablecoins against Bitcoin collateral led to the creation of the Poolin Wallet product. Through Poolin Wallet, users could pledge Bitcoin and receive USDT based on applicable pledge rates, while paying interest on those borrowings.

17. Poolin Wallet, in turn, obtained USDT by pledging user cryptocurrency to institutional cryptocurrency lenders. Poolin Wallet's business model depended, in part, on the interest-rate spread between the rates charged by those institutional lenders and the rates paid by Poolin Wallet users.

18. Beginning in the second half of 2020, Poolin Wallet also offered products described as "time deposits" and "demand deposits," with stated annual interest rates ranging from approximately 2% to 8.8%. Cryptocurrency deposited through those products, together with other

assets placed with Poolin Wallet, was substantially pledged to Tether International Limited ("Tether") to obtain USDT and support Poolin Wallet's business.

19. During the first half of 2020, Poolin also planned to acquire mining machines at favorable prices in anticipation of a future market recovery, with the expectation that Bitcoin generated by those machines could be used to repay loans and interest. Poolin's mining operations expanded during this period, including through mining sites in Sichuan, Xinjiang, and Inner Mongolia.

20. During May 2021, the Chinese government banned Bitcoin mining, causing a significant disruption to Poolin's China-based mining operations. Following the ban, Poolin deregistered Beijing Satoshi Smart Technology Co. Ltd. and shut down its operations in mainland China.

21. Due to the sudden and unexpected collapse of Poolin's operations, the books and records were incomplete when the company shuttered its operations. The affiliated US management team subsequently used its best efforts to reconstruct Poolin's books and records from existing records.

22. Poolin thereafter started evaluating opportunities to relocate or redeploy mining machines outside China.

23. By mid-2022, conditions in the cryptocurrency markets had deteriorated materially. When the price of Bitcoin fell below approximately $20,000 in June 2022, the value of Poolin's collateral declined and Poolin faced increasing margin calls from Tether.

24. According to Tether's website, it is a blockchain-enabled platform designed to facilitate the use of fiat currencies in a digital manner. Tether supports UD dollars (USD), Mexican pesos, and Gold, with the following Tether Tokens, respectively: USDT, MXNT and XAUT.

(tether.to/en).

25. Tether (USDT) is a stablecoin is designed to be pegged 1:1 to the US dollar, meaning its price is meant to consistently hover around $1.

26. To reduce its reliance on Tether, Poolin transferred substantially all cryptocurrency collateral associated with Poolin Wallet users' time deposits, demand deposits, and pledged borrowing collateral to a different lender, Antalpha Technologies Limited ("Antalpha").

27. The proceeds of the Antalpha transaction were used for, among other things, development and start-up of LSD's operations in the United States, interest payments, purchases of mining machines and other capital assets, honoring withdrawals, and ordinary business expenses.

28. During the Summer of 2022, using approximately $355.8 million in then-market-value collateral, Poolin borrowed approximately $213.0 million from Antalpha. The cryptocurrency market continued to deteriorate thereafter. In September 2022, Poolin Wallet announced a liquidity crisis, suspended withdrawals, and issued IOUs totaling approximately $163,700,000 to the Poolin Wallet holders ("Wallet Holders"). As of the date of issuance of the IOUs, Wallet Holders with balances in excess of $100.00 totaled around 11,700.

29. In November 2022, Bitcoin fell below approximately $16,800 and several major cryptocurrency market participants suspended withdrawals or reorganized. Poolin was unable to sustain its business model and was forced to shut down its business operations.

23. Antalpha liquidated Poolin Wallet's collateral in November of 2022. Management estimates $260 million was due Antalpha at that time on borrowings, collateralized by approximately $265 million of digital currency assets.

24. Poolin has not operated in the ordinary course since 2022. Poolin's assets consist

of approximately $1.2 million on deposit in a bank account in New Jersey, which was formerly held in the Mixin Wallet, an office space lease in Lawrence, New Jersey, and an inter-company claim.

25. Poolin's management determined that it was no longer feasible to conduct business as Poolin. Mr. Pan, the principal Director of Poolin, decided to move the United States. LSD and LST were formed as Delaware Companies in late 2021.

B. Lonestar Dream Inc.

26. After conducting a country-wide search, and evaluating over 30 sites and substations, in September 2021, Mr. Pan decided to acquire property in West Texas for mining operations.

27. The sites chosen for mining operations by LSD consisted of an 86.5-acre site in Ward County Texas (known commonly as the "Pyote Site" or "Pyote") and a 64-acre site in Pecos County Texas (known commonly as the "Tarbush Site" or "Tarbush" and collectively, the "Mining Sites").

28. The Pyote Site, which is owned by LST, was later reduced in size in connection with the settlement of a dispute between the Debtors and the prior owner, Priority Power Management ("PPM"), whereunder approximately 62.5 acres was deeded back to PPM.

29. The Tarbush Site is subject to a Surface Use Agreement ("SUA") between LSD and DBR Land LLC ("DBR"), with an effective date of January 1, 2022.

30. The SUA was amended in August of 2024 ("Amended SUA"). The Amended SUA is between DBR and LST.

31. DBR currently has a dispute with the Debtors under the Amended SUA related to royalty payments.

32. Poolin advanced funding for acquisition, build and fit out expenses for the Mining Sites through intercompany advances and equipment transfers. Mr. Pan, LSD's sole shareholder, contributed approximately $10 million of capital.

33. Mining operations began at the Mining Sites in the latter half of 2022.

34. Early discussions between the Debtors and Texas New Mexico Power ("TNMP") indicated that upwards of 600 MW would be allocated to the Mining Sites. However, only 100 MW of power capacity with TNMP was initially allocated to the Mining Sites. Expecting to be allocated 600 MW, the Debtors over ordered mining equipment resulting in additional strains on working capital.

35. The Debtors reluctantly sold surplus equipment at discounted prices in order the stem the cash flow drain from operating losses. The Debtor's unaudited books reflect about $8.8 million in equipment sale losses were incurred between FY 2023 and FY 2025.

36. Until closure of operations on July 10, 2026, LSD had two core business segments: mining digital assets for its own account ("Self-Mining"); and providing top-tier equipment hosting services at its facilities for other large-scale mining clients ("Hosting"), utilizing advanced technologies like air cooling, hydro cooling, and a proprietary immersion cooling system.

37. Historically, LSD was the principal customer-facing operating company for the Lonestar group.

38. LSD contracted and managed all customer Hosting relationships, sold surplus equipment, recognized other miscellaneous income and collected amounts owing from all sources.

39. LSD's expenses were generally for administrative and sales costs and overhead, such as payroll and related expenses, utilities, commercial insurance, professional fees, software licenses fees, home office expenses, bank and financial services fees, and interest expense.

40. As of the Petition Date, LSD substantially completed the wind-down of its operating business at both Mining Sites. Pursuant to an agreement with their customer, Elektron Energy (collectively with certain of its affiliates, "Elektron"), LSDs discontinued services and began disconnecting and removing Elektron's equipment from the Debtors' facilities. The Debtors have filed a Motion for approval of their settlement agreement with Elektron. The Debtors have retained only a limited workforce necessary to preserve the value of the estates, maintain the safety and security of the Mining Sites and equipment and other assets locate there, support the marketing and sale of the Debtors' assets, and administer these Chapter 11 Cases through a plan confirmation.

C. Lonestar Taproot, LLC

41. LST is a limited liability company that performs integrated business functions with respect to the Mining Facilities, owns certain equipment used at the Mining Sites, and is a party to the Amended SUA.

42. For a time, LST operated as LLC partnership (from March 2022 through December 2023). LSD and Bitmain, a manufacturer of hardware and solutions for blockchain and other applications were the operating partners of LST. Bitcoin's capital contribution was approximately $34.4 million, and upon withdrawal was reimbursed approximately $24.1 million. The partnership experienced significant losses during its short operating period and was terminated by agreement.

43. Historically, LST operated as a cost center for the Mining Sites. LST's expenses included, for example, operating expenses, outsourced facility services, supplies, tools, equipment repairs and maintenance, equipment leases, security services.

44. LST owns the equipment and certain other assets at or associated with the Mining Sites, including the power, property rights, buildings, improvements, substation infrastructure,

tools, machinery and equipment. As of May 2026, the net book value of LST's plant, property and equipment is reported to be $41.7 million.

D. Corporate Structure of Debtors

45. Poolin is a Singapore company governed by three Directors, Kevin Pan, Kathy Zhang and Benjamin Thong.

46. LSD's and LST's sole Director is Kevin Pan. The officers are Kevin Pan, CEO; Kathy Zhang, COO; Pei Hsuan Chiu, CFO; Michael DuFrayne, CRO.

47. Poolin and LSD are owned by Kevin Pan. LSD is the sole member of LST.

PART II: CAPITAL STRUCTURE

48. The Debtors prepetition summary capital structure is as follows[3]:

Wallet Holders IOUs - unsecured	$163,723,500
Other unsecured debt	$4,467,600
Shareholder loan - unsecured	$4,258,600
Trade Creditors	$450,000
Insurance premiums	$210,000
Taxes payable	$91

PART III: SALE PROCESS

49. Pre-Petition the Debtors engaged DuFrayne LLC to find investors, lenders and/or buyer of the assets of LDL and LST.

50. Pursuant to its engagement, DuFrayne LLC conducted a three plus month process which consisted of preparing marketing material, including an introductory teaser, a Confidential Information Memorandum, and populating a confidential data room. DL identified and contacted over 335 strategic, financial and hybrid parties by social media, emails and mailing with a targeted

[3] The Debtors intend to file their Schedules and SOFA's within the next few weeks.

emphasis on participants in the AI/HPC data center industry, including hyperscalers, REITS, data center infrastructure operators, and Private Equity firms along with crypto mining operators. DL also coordinated management responsiveness to buyer inquiries, numerous management presentations and negotiating Letters of Intent. ("Marketing Process").

51. The Debtors will sell the assets as a total package or in separate lots, whichever results in the highest or otherwise best offer. Each Bidder will have to specify whether they are bidding on the assets in a single bid or whether the bid is a specific bid for either the Pyote or Tarbush assets.

52. The initial marketing process resulted in 28 NDAs, and the receipt of seven (7) Letters of Intent (LOIs): two (2) LOIs for Pyote's assets, three (3) LOIs for Tarbush's power and equipment, and two LOIs with offers for the combined assets, power and equipment of both campuses. The Debtors have also received three (3) additional indications of interest in participating in the auctions.

53. The Debtors expect an active auction based on the number of LOIs, pre-filing indications of interest in participating in the auctions, and the number of parties receiving late access to the Data Room.

54. On July 13, 2026, as a direct result of the Marketing Process, LSD and LST signed Letters of Intent, effective as of July 10, 2026, with Thor CALAP LLC ("Thor" and respectively, the "Stalking Horse Purchasers') for the purchase of the Pyote Site and associated power rights, equipment and other assets ("Pyote Assets"); and the power rights and equipment and other assets associated with the Tarbush Site excluding the Amended SUA (such sale, the "363 Sale").

55. Thor offered the highest or otherwise the best offers for the Pyote Assets at $15,000,000 and $37,000,000 for the Tarbush Assets. The Debtors have filed a Motion for

Approval of Bid Procedures and additional relief ("Bid Pro Motion") which provides more detail concerning the 363 Sale.

56. On July 22, 2026, the Debtors and Thor CALAP entered into two asset purchase agreements—one for the Tarbush Assets (the "Tarbush APA") and another for the Pyote Assets (the, "Pyote APA", and with the Tarbush APA, collectively, the "Stalking Horse APA"). Collectively, the Tarbush APA and the Pyote APA contemplate the sale of substantially all of the Debtors Assets. However, each APA represents a separate and independent asset purchase transaction, and each will proceed on its own terms, with the rights and obligations of the parties under each APA being separate and distinct. The Debtors intend to use the Stalking Horse Bidder's bid, as applicable, as the stalking horse bid for the applicable Assets (each a "Stalking Horse Bid").

57. The Debtors do not intend to conduct further operations at the Mining Sites. The Debtors will require sufficient time to remove certain of the Tarbush Assets (equipment, sub-station, etc.) from the Tarbush Site, to facilitate the sale of same in the 363 Sale.

PART IV: EVENTS PRECIPITATING THE CHAPTER 11 FILING AND BANKRUPTCY OBJECTIVE

58. The Debtors have faced numerous challenges relative to their mining operations in the United States and have been unable to duplicate their successes in China prior to the governmental ban on crypto. Industry challenges, Bitcoin price volatility, the Pandemic, start-up cost overruns and delays, along with cross-border legal claims have all contributed to the Debtors' decision to stop mining operations and sell their assets in the 363 Sale. The Debtors objective in filing for bankruptcy relief is to maximize the value of their assets via the 363 Sale process, which the Debtors believe will yield a substantial dividend for creditors upon confirmation of a liquidating plan.

59. LSD and LST have not been profitable since their formation. Cumulative losses are approximately $45.9 million, capital sources for digital mining and hosting have evaporated, and business development has softened.

60. Additionally, legal claims have been filed against the Debtors in the United States and Singapore by certain Wallet Holders.

61. During the same period, there has been a seismic shift in AI/HPC computing demand. As a result, management believes targeting the sale of the Company's energy capabilities and assets to AI/HPC users will generate the highest value for the Debtors' assets.

PART V: FIRST DAY MOTIONS

62. The Debtors are filing various First Day Motions seeking interim and then final relief in the Chapter 11 Cases. As a result of my discussions with counsel, I have concluded that it is necessary for the Debtors to obtain the relief sought in the First Day Motions in order for them to effectively wind down operations, sell their assets in the 363 Sale and confirm a plan of liquidation. Absence such relief, the Debtors would be unable to meaningfully proceed in this Chapter 11 Case.

63. The First Day Motions include:

Substantive Motions:

- Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Pay Pre-Petition Employee Obligations and (B) Continue Employee Benefits Programs; and (II) Granting Related Relief

- Debtors' Motion for Entry of Interim and Final Orders Authorizing (I) the Continued Use of Existing Cash Management System, on a Limited Basis; (II) the Continued Interim Use of a PNC Operating Bank Account, Cryptocurrency Exchange Accounts, Ramp Credit Card Account and Business Forms; and (III) Granting Related Relief

- Debtors' Motion for Entry of an Order Authorizing Rejection of Certain Contracts and/or Leases, Approving Settlement Agreement, and Granting Related Relief

- Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Continue, Renew, or Supplement Insurance Policies, (II) Authorizing the Debtors to Pay Insurance Premiums and Related Obligations Thereon, (III) Authorizing the Debtors to Continue Premium Financing Agreements, (IV) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers, and (V) Related Relief

- Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to Pay Certain Taxes and Fees, (II) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers, and (III) Granting Related Relief

- Debtors' Motion for Entry of Interim and Final Orders (I) Prohibiting the Debtors' Utility Providers from Altering, Refusing, or Discontinuing Services, (II) Deeming Utility Companies Adequately Assured of Future Payment, (III) Approving Procedures for Resolving Further Adequate Assurance Requests, and (IV) Granting Related Relief

- Debtors' Application for Entry of an Order Authorizing the Employment and Retention of Archer & Greiner, P.C. as Bankruptcy Counsel Effective as of the Petition Date

- Debtors' Application for Entry of an Order Authorizing the Employment and Retention of DuFrayne LLC as Chief Restructuring Officer Effective as of the Petition Date

- Debtors' Application for Entry of an Order Authorizing the Employment and Retention of DuFrayne LLC as Investment Banker Effective as of the Petition Date

- Debtors' Application for an Order Authorizing the Employment and Retention of Kurtzman Carson Consultants, LLC DBA Verita Global as Administrative Advisor Effective as of the Petition Date

- Debtors' Application for an Order Authorizing the Employment and Retention of Kurtzman Carson Consultants, LLC DBA Verita Global as Claims and Noticing Agent Effective as of the Petition Date

- Debtors' Application for Entry of an Order Authorizing the Employment and Retention of Oon & Bazul LLC as Singapore Insolvency Counsel Effective as of the Petition Date

- Debtors' Application for Entry of an Order Authorizing the Employment and Retention of McCarn, Weir, & Sherwood P.C. as Oil, Gas, and Mineral Counsel Effective as of the Petition Date

Procedural Motions:

- Debtors' Motion for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases, and (II) Granting Related Relief

- Application for Expedited Consideration of First Day Matters

- Debtors' Motion for Entry of an Order (I) Authorizing Redaction of Certain Personally Identifiable Information of Natural Persons; and (II) Granting Related Relief

- Debtor's Motion for Entry of an Order (I) Designating Complex Chapter 11 Cases; (II) Establishing Certain Notice, Case Management, and Administrative Procedures; (III) Authorizing Service to Certain Parties by Email and SMS/Text Message; and (IV) Granting Related Relief

64. I am familiar with the content and substance of the First Day Motions and believe that the relief sought in each of the First Day Motions is necessary to enable the Debtors to operate in Chapter 11 with minimal disruption to their business operations and constitutes a critical element in the Debtors successfully achieving their Chapter 11 objectives.

65. For the reasons stated herein and in each of the First Day Motions filed concurrently or in connection with the commencement of these Cases, I respectfully request that each of the First Day Motions be granted, together with such other and further relief as this Court deems just and proper.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: July 22, 2026

/s/ Michael DuFrayne
Michael DuFrayne
Chief Restructuring Officer

232449467 v4